



General Assembly

January Session, 2013

Raised Bill No. 6603

LCO No. 4271



Referred to Committee on FINANCE, REVENUE AND
BONDING

Introduced by:
(FIN)

***AN ACT CONCERNING CANCELLATION OF OUTSTANDING
GENERAL OBLIGATION BOND AUTHORIZATIONS.***

Be it enacted by the Senate and House of Representatives in General
Assembly convened:

1 Section 1. Section 3-21b of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective July 1, 2013*):

3 (a) Notwithstanding the provisions of any general statute, public act
4 or special act, upon a determination by the Treasurer and approval by
5 the State Bond Commission that unexpended proceeds of general
6 obligation bonds of the state issued pursuant to section 3-20 and
7 accounted for in a general obligation bond fund of the state established
8 by the Treasurer are no longer required for any of the purposes or
9 projects funded or remaining to be funded from amounts in such bond
10 fund, the Treasurer is authorized to transfer all or any portion of said
11 unexpended bond proceeds from such bond fund for further credit to
12 the General Fund, provided the Treasurer shall further determine that
13 such transfer shall not adversely affect the exclusion from gross
14 income of the interest on the bonds from which such unexpended

15 proceeds were derived pursuant to Section 103 of the Internal Revenue
16 Code of 1986 or any corresponding internal revenue code of the United
17 States, as from time to time amended.

18 (b) (1) Commencing January 1, 2010, and annually thereafter, the
19 Office of Policy and Management, in consultation with the Treasurer,
20 shall submit a report, in accordance with section 11-4a, to the State
21 Bond Commission, the joint standing committee of the General
22 Assembly having cognizance of matters relating to finance, revenue
23 and bonding, and to the legislative Office of Fiscal Analysis,
24 identifying [(1)] (A) all fully-issued general obligation bond funds,
25 with [(A)] (i) a description of the projects that may be eligible for
26 funding under each such bond fund, [(B)] (ii) an identification of which
27 such bond funds are encumbered, and [(C)] (iii) an account of
28 expenditures from each such fund for the past five years or, if such
29 bond fund is less than five years old, since its inception, and [(2)] (B)
30 any fully-issued and unencumbered general obligation bond funds
31 from which no expenditures have been made for at least five years,
32 and that have been determined by the Treasurer to be fully eligible for
33 transfer pursuant to subsection (a) of this section.

34 (2) Commencing January 1, 2014, and annually thereafter, the Office
35 of Policy and Management, in consultation with the Treasurer, shall
36 submit a report, in accordance with section 11-4a, to the State Bond
37 Commission, the joint standing committee of the General Assembly
38 having cognizance of matters relating to finance, revenue and bonding,
39 and to the legislative Office of Fiscal Analysis, (A) identifying all
40 general obligation bonds approved by the General Assembly pursuant
41 to any bond act taking effect in the five preceding years, including
42 additional bonding authorized pursuant to any section of the general
43 statutes, with (i) a description of each project or program designated in
44 each such act, and (ii) an indication of whether or not each such project
45 or program has started, (B) listing, for each such project or program
46 that has not started, (i) the effective date of the bond act authorizing
47 such project or program, and (ii) the reason for inaction upon each

48 such project or program, (C) analyzing, as of the date of such report,
49 the importance to the general health, safety and welfare of the state of
50 each such inactive project or program, and (D) recommending
51 legislative action to amend or cancel authorizations for such projects or
52 programs that are inactive and do not appear to be in the state's best
53 interest.

54 (c) The provisions of subsection (a) of this section shall not apply to
55 any consolidated amounts, as defined in section 8-37rr.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2013</i>	3-21b

Statement of Purpose:

To ensure that the state's general obligation bond acts are reviewed annually and analyzed to ensure that all authorized projects and programs are active and relevant to the state's best interest.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]